

**IOWA FINANCE AUTHORITY
BOARD MEETING MINUTES**

**Iowa Hospital Association Education Center
100 E. Grand Avenue, First Floor
Des Moines, Iowa**

April 5, 2006

BOARD MEMBERS PRESENT

Vincent Lintz
Kay Anderson (via telephone)
Steve Adams (via telephone)
Virginia Bordwell

Roger Caudron
Heather Kramer (via telephone)
Doug Walter (via telephone)
Dick Wright

STAFF MEMBERS PRESENT

Bret Mills, Executive Director
Lori Beary, Community Development Director
Mickey Carlson, Single-Family Program Manager
Donna Davis, Deputy Director/Director of
Affordable Housing Programs
Dennis Dietz, Director of Policy and Governmental
Affairs
Alyson Fleming, Administrative Assistant
Steven Harvey, Director of Operations

Shawna Lode, Communications Director
Tim Morlan, Underwriter
Lloyd Ogle, Director of Title Guaranty
Division
Callie Sheil, Secretary
James Smith, Deputy Director/CFO
Mark Thompson, General Counsel
Nancy Wallis, Administrative Assistant

OTHERS PRESENT

Kristi Boyce – Wells Fargo Bank Iowa, NA
John Bunz – Ahlers & Cooney Law Firm
Bob Burns – Burns & Burns, L.C.
Jim Conlin – Conlin Properties
Sandy Ehrig – Dept. of Economic Development
Wayne Goedken – Jacksonville Farms/ Natural
Pork Production II
David Grossklaus – Dorsey & Whitney

Jina Lilly – State Treasurer's Office
Bruce Ray – Dept. of Housing &
Urban Development
Bill Reinke – HOUSES, Inc.
Rose Wazny – Dept. of Economic
Development
Minniette Williams – Wells Fargo Bank
Iowa, NA

CALL TO ORDER

Chair Lintz called to order the April 5, 2006, regular meeting of the Iowa Finance Authority (IFA) Board of Directors at 10:54 a.m. Roll call was taken and a quorum was established with the following members present: Lintz, Bordwell, Caudron and Wright. Anderson, Adams, Kramer and Walter participated via telephone. It was noted for the minutes that the meeting was held electronically and that the reason for conducting the meeting via telephone was the impracticality of meeting in person due to the conflicting schedules of the Board members.

REVIEW AND APPROVAL OF MINUTES

March 1, 2006

Chair Lintz introduced the minutes of the March 1, 2006, regular meeting of the IFA Board of Directors.

MOTION:

On a motion by Mr. Steve Adams and a second by Mr. Roger Caudron, the Board unanimously approved the minutes of the March 1, 2006, meeting.

ADMINISTRATION / MANAGEMENT REPORT

Mr. Bret Mills mentioned that he and Board Chair Lintz and Mr. Dick Wright attended the NCSHA Legislative Conference in Washington D.C. in early March. He stated that they met with the delegation regarding the 30-year financing for the State Revolving Fund (SRF). This financing is not available in Iowa at this time, but it has been requested by Iowa communities. IFA has been working with Director Jeff Vonk of the Iowa Department of Natural Resources (DNR), and has sent an official letter to EPA Region Seven and will proceed until there is a blanket approval from EPA in Washington, D.C.

Mr. Mills then thanked Chair Lintz and Mr. Wright, as well as the delegation for taking part in what he considers a very favorable resolution.

Mr. Wright mentioned that he was in the process of putting together a summary for the Board members who were not able to attend the NCSHA Legislative Conference. He also requested that the Board receive a quarterly report from the delegation in Washington, D.C.

LEGAL / REGULATORY

Mr. Mark Thompson mentioned that Mr. Grant Dugdale from the Attorney General's Office will represent IFA on the four appeals IFA received after last month's tax credit awards were announced.

FINANCE AND ACCOUNTING

Finance Update

Mr. Steve Harvey referred to the financial statement that was included in the Board packet. He mentioned that as a housing agency IFA's finances are solid.

Approval of Financial Statement

MOTION:

On a motion by Ms. Kay Anderson and a second by Mr. Wright, the Board unanimously approved the February 2006 financial statement.

ECONOMIC DEVELOPMENT LOAN PROGRAM

ED Loan #05-07B-1, Mississippi Housing Partners Project

Ms. Lori Beary introduced the amending authorizing resolution for \$6,200,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for Mississippi Housing Partners Project in Davenport. The bonds will be used for the acquisition and rehabilitation of the Mississippi Hotel.

MOTION:

On a motion by Mr. Doug Walter and a second by Ms. Virginia Bordwell, the Board unanimously approved Resolution #05-07B-1, Mississippi Housing Partners Project.

ED Loan #05-19B, West Des Moines Housing Associates, LP Project

Ms. Beary introduced the authorizing resolution for \$8,900,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for West Des Moines Housing Associates, LP Project. The bonds will be used to construct a 168-unit apartment complex in West Des Moines at 35th Street and Mills Civic Parkway.

MOTION:

On a motion by Mr. Wright and a second by Mr. Caudron, the Board unanimously approved Resolution #05-19B, West Des Moines Housing Associates, LP Project.

Public Hearing for Jacksonville Farm LLP, Shelby County Project

Chair Lintz opened the public hearing at 11:15 a.m. regarding the issuance of an amount not to exceed \$6,000,000 of Iowa Finance Authority Variable Rate Demand Solid Waste Disposal Revenue Bonds for the Jacksonville Farm LLP Project in Shelby County. The bonds will be used to construct the solid waste disposal components of a swine production facility. There being no verbal or written comments, Chair Lintz closed the public hearing at 11:17 a.m.

ED Loan #05-22B, Jacksonville Farm LLP, Shelby County Project

Ms. Beary introduced the authorizing resolution for \$6,000,000 of Iowa Finance Authority Variable Rate Demand Solid Waste Disposal Revenue Bonds for the Jacksonville Farm LLP Project in Shelby County.

MOTION:

On a motion by Mr. Steve Adams and a second by Mr. Caudron, the Board unanimously approved Resolution #05-22B, Jacksonville Farm LLP, Shelby County Project.

State Revolving Fund Program

Ms. Beary introduced a resolution to approve Planning and Design Loans for the cities of Lansing, Ely, Boone, Palo, Swisher and for the Winterset Municipal Utility. These loans are at 0 percent interest for up to three years. The funds are used for the planning and design phases of wastewater and drinking water infrastructure projects. The total for the projects is \$1,342,910. With the adoption of this resolution, IFA has approved Planning and Design loans totaling \$5,045,655 for 34 projects.

MOTION:

On a motion by Ms. Bordwell and a second by Mr. Wright, the Board unanimously approved the resolution for Planning and Design Loans.

Resolution Approving Assignment & Authorizing Certain Changes to Bond Indentures

Ms. Beary introduced a resolution to provide the Executive Director with the authority to enter into the Assignment Agreement to receive the rights of Iowa Department of Natural Resources (DNR) being relinquished to the Authority and provides for the amendment of the Financing Documents to delete certain references to DNR where DNR is no longer a part of the financing process.

MOTION:

On a motion by Mr. Caudron and a second by Mr. Walter, the Board unanimously approved the Resolution Approving Assignment and Authorizing Certain Changes to Bond Indentures.

HOUSING PROGRAMS

Ms. Mickey Carlson told the Board that the Single-Family program set a weekly record of a \$10,700,000 in FirstHome loans recently.

Resolution Re: Southwest Iowa Housing Trust Fund, Inc.

Ms. Donna Davis introduced a resolution to approve the Southwest Iowa Housing Trust Fund, Inc. (SWIHTF). The primary purpose of the corporation is to provide safe, affordable housing. The organization expands housing opportunities in an eight-county region. The counties are Cass, Fremont, Harrison, Mills, Montgomery, Page, Pottawattamie (excluding the city of Council Bluffs), and Shelby. SWIHTF's priority projects will include owner-occupied housing rehabilitation and homeownership assistance. SWIHTF expects to invest in new construction, demolition of dilapidated housing, and all other opportunities to increase housing options and address identified needs.

Mr. Wright asked why the city of Council Bluffs was excluded.

Ms. Davis replied that IFA had spoken to the city of Council Bluffs during the first year of the State Housing Trust Fund. The city of Council Bluffs decided to go for a \$250,000 project-based grant instead of becoming a certified local housing trust fund. She mentioned that IFA will continue to work with them to get them involved.

MOTION:

On a motion by Ms. Anderson and a second by Ms. Bordwell, the Board unanimously approved the resolution re: Southwest Iowa Housing Trust Fund, Inc.

Resolution Re: Rolling Meadows Apartments

Mr. Tim Morlan introduced a resolution to approve a loan for the Rolling Meadows Apartments in Waverly, Iowa. IFA will refinance the loan with Stearns Bank to help keep the project from being foreclosed upon. The limited partner is providing equity of \$136,011 for escrow, physical needs, and other closing costs. The project will receive several repairs to help the overall appearance.

MOTION:

On a motion by Mr. Adams and a second by Ms. Anderson, the Board unanimously approved the resolution re: Rolling Meadows Apartments.

Resolution Re: Ecumenical Towers

Mr. Morlan introduced the resolution to approve a loan for the Ecumenical Towers in Iowa City, Iowa. This predevelopment loan will cover the initial cost for third party reports and reviews. A permanent loan will be used to pay off the Department of Housing and Urban Development's direct 202 and flexible subsidy loans, as well as the rehabilitation that includes the addition of a second elevator. Some of the rehabilitation includes replacing appliances, floor coverings, toilets, faucets, shower heads and bi-fold doors. The rehabilitation will improve the project's units and keep the project marketable.

MOTION:

On a motion by Mr. Walter and a second by Ms. Bordwell, the Board unanimously approved the resolution re: Ecumenical Towers.

Mr. Caudron asked if Ms. Davis could review the Single-Family Construction Loan changes.

Ms. Davis said that based on experience over the last few years, the Single-Family Construction Loan Program has not worked as well as it could. IFA staff are working to create a more user friendly program that mirrors our Rehab Program. Some changes may include a straight 3 percent interest rate. Loans would need to be repaid at the end of 3 years or whenever the house sells. The FirstHome purchase price and income limits would apply. Staff would require an assignment of the first mortgage for collateral. To help with the selling of the house we would need evidence of buyer interest before the loan application can be approved. Staff would make site visits prior to the signing of the loan agreement and the disbursement of any funds. The borrowing entity could use 5 percent of the loan amount up to \$10,000 for administrative fees.

Mr. Caudron asked if the plan is to bring proposed rule changes at the next meeting.

Ms. Davis replied that they will have the proposed changes or at least a program outline.

TITLE GUARANTY DIVISION (TGD)

Mr. Loyd Ogle referred to the material included in the Board packet and mentioned that TGD has trained over 80 attorneys and their staff in the month of February.

POLICY / LEGISLATION

Mr. Dennis Dietz reviewed the legislative report that was given out in the Board packet.

Mr. Mills asked Mr. Dietz to complete a federal legislative report to accompany the monthly state legislative report that is included in the Board packet.

COMMUNICATIONS

Ms. Shawna Lode passed out the new SRF brochures and a FirstHome advertisement. She spoke briefly about IFA's new banners that were on display. She also updated the Board on upcoming conferences and events.

MISCELLANEOUS ITEMS

Receive Comments from General Public

Chair Lintz opened the public comment period and asked if anyone in the audience would like to address the Board.

Mr. Jim Conlin of Conlin Properties invited everyone to attend a meeting he arranged at The Greater Des Moines Partnership at 7:30 a.m. on April 6, 2006, with Senator Gronstal in regard to proposed property tax changes.

Mr. Bruce Ray of the Department of Housing and Urban Development informed everyone that April is Fair Housing Month and the theme is "Fair Housing, it's not an option, it's the law." He also briefly updated the Board on students living in Section 8 apartments.

There being no other audience members wishing to address the Board, Chair Lintz closed the public comment period.

ADJOURNMENT

There being no further business, on a motion by Mr. Caudron and a second by Mr. Wright, the April 5, 2006, meeting of the IFA Board of Directors adjourned at 12:00 p.m.

Dated this 3rd day of May, 2006.

Respectfully submitted:

Approved as to form:

Bret L. Mills
Executive Director
Iowa Finance Authority

Vincent Lintz, Chair
Iowa Finance Authority